

Agriculture

Introduction

About 1.7 million hectares of land in Wales is agricultural, of which around 80 per cent is designated as Less Favoured Area (LFA)ⁱ. Agriculture in Wales is predominantly cattle and sheep farming. There are over 24 thousand active holdings in Walesⁱⁱ. In 2006 payments worth £212 million were made to farmers in Wales under the Common Agricultural Policy (CAP) Single Payment Scheme (SPS). This scheme broke the link between CAP payments and production. It is paid once a year and is based on the amount of subsidy paid, and land used, between 2000 and 2002. -

The Welsh Assembly Government promotes a sustainable approach to agriculture and supports farmers in adapting for the future. Under the SPS, farmers are required to keep their land in good agricultural condition and comply with environmental, public and animal health and welfare requirements. Agri-environment schemes also exist which provide farmers with payments for undertaking farming activities which actively encourage environmental stewardship. These are called the Tir Cymru programme, which includes schemes such as Tir Cynnal and Tir Gofal, as well as Tir Mynydd.

Current and proposed legislative competence of the Assembly

Under the *Government of Wales Act 2006*, the National Assembly for Wales can seek legislative competence through Acts of Parliament or Legislative Competence Orders (LCOs) to make a piece of law in the form of an 'Assembly Measure'. Measures can only be made in a specific policy area (or 'Matter') added to one of the 20 'Fields' (or broad subject areas) which are contained in Schedule 5 of the Act. As "Agriculture, fisheries, forestry and rural development" is Field 1 of Schedule 5 to the Actⁱⁱⁱ, the National Assembly for Wales can seek Measure-making powers in this area. There are currently no Matters in this Field.

Forthcoming EU and UK primary legislation

- The Commission sought views on the CAP Health Check at the beginning of 2008. This is a review of the reforms implemented since 2003. Following public consultation the Commission has proposed modifications, with their adoption expected before the end of the year, of three main areas^{iv}:
 - Direct aid system
 - Market instruments
 - Rural development policy
- Proposed changes to the regulation governing support for LFAs is expected towards the end of 2008. In Wales LFAs are covered by the Tir Mynydd scheme, for which 80% of land in Wales is eligible. A legislative proposal on a new designation of the LFA is expected following criticism from the European Court of Auditors on the criteria used to determine some of the schemes in use in the EU.
- In September 2007, the Commission adopted a new *EU Animal Health Strategy for 2007-2013*^v. The strategy provides a framework for animal health over the next 6 years. As part of the strategy, a single regulatory framework will eventually be developed as an 'umbrella' piece of legislation. Existing legislation will be simplified, and replaced by the single framework where appropriate.
- The *Climate Change Bill*^{vi} was introduced in Parliament on 14 November 2007. It has now moved to the House of Commons for consideration. The aim is to receive Royal Assent by autumn 2008.

EU policy

The EU has wide jurisdiction over agricultural matters. Fields of competence include all aspects of the Common Agricultural Policy (CAP) including market measures, rural development policy, financial matters, international relations relating to agriculture and animal health and welfare. The European Commission's main tasks in the field of agriculture include:

- Developing and simplifying the CAP (see CAP Health Check)

- Strengthening rural development policy to help spread prosperity to rural areas (see *Rural Development Plan*)
- Helping the Agricultural industry adapt to Climate Change
- Ensuring the environmental, social and economic sustainability of European agriculture
- Protecting and raising the health standards and condition of animals.

Key Welsh Government strategy documents and action plans

- The *Rural Development Plan for Wales 2007-2013* was approved by the Commission in February 2008^{vii}
- The *One Wales* agreement highlights a number of commitments to the development of rural areas including the implementation of a Strategic Action Plan for the dairy industry, which was published in November 2007. Other commitments include the development of an initiative on local food procurement and the creation of a programme to eradicate Bovine Tuberculosis. Following an announcement by the Minister for Rural Affairs^{viii}, a consultation has been launched seeking views on proposals for a new strategy '*Farming, food and countryside – building a secure future*'^{ix} and is due for closure in September 2008.
- A consultation document, '*Planning for Climate Change*' - Ministerial Interim Planning Policy Statement (MIPPS)^x, finished its consultation period on 30 March 2007. However, it has been necessary to propose further amendments to the draft MIPPS to take into account the progress on the Climate Change agenda in Wales. A further consultation has been launched and is due for closure in October 2008.
- The *Environment Strategy for Wales* and its accompanying Action Plan^{xi} address issues relating to the management of land and resources. A report was published in September 2007 showing the first year's progress on delivering the *Environment Strategy* and broader environmental indicators, as well as progress against the Action Plan points^{xii}.
- The First Minister announced in his legislative programme statement, in Plenary on 15 July 2008, the intention to seek legislative powers over the red meat industry^{xiii}. No further information is available at present.

Useful links

1. The Welsh Government has a website covering farming and countryside issues: <http://cymrugydnherth.com/topics/environmentcountryside/farmingandcountryside/?lang=en>
2. DEFRA maintains websites covering animal health and welfare, farming, horticulture, plants and seeds, rural affairs, and wildlife and countryside: <http://www.defra.gov.uk/>
3. The European Commission's Directorate-General for Agriculture and Rural Development can be found at: http://ec.europa.eu/dgs/agriculture/index_en.htm

Further information

The Members' Research Service has produced a Research Paper on the Health Check of the Common Agricultural Policy: <http://www.assemblywales.org/08-007.pdf>

For further information on aspects of agriculture, please contact Carys Jones, Members' Research Service (Carys.Jones@cymru.gsi.gov.uk), 029 2089 8598

ⁱ Less Favoured Area (LFA) is the area in which farms are eligible for the Tir Mynydd scheme.

ⁱⁱ Welsh Assembly Government, [Farming Facts and Figures, Wales 2008](#), webpage [on 08 July 2008]

ⁱⁱⁱ Office of Public Sector Information, [Government of Wales Act 2006](#), webpage [on 08 July 2008]

^{iv} European Commission, ["Health Check" of the Common Agricultural Policy](#), webpage [on 08 July 2008]

^v European Commission, [Animal Health Strategy \(2007-2013\): "prevention is better than cure"](#), webpage [on 08 July 2008]

^{vi} Defra, [The Climate Change Bill](#), webpage [on 08 July 2008]

^{vii} Welsh Assembly Government, [The Rural Development Plan for Wales 2007-2013](#), webpage [on 08 July 2008]

^{viii} Response to OAQ (3)0167 (RAF) 30 January 2008

^{ix} Welsh Assembly Government, [Farming, food and countryside – Building a secure future: consultation](#), webpage [on 08 July 2008]

^x Welsh Assembly Government, [Further Consultation on Planning for Climate Change](#), webpage [on 08 July 2008]

^{xi} Welsh Assembly Government, [Environment Strategy for Wales 2006](#), webpage [on 08 July 2008]

^{xii} Welsh Assembly Government, [Environment Strategy for Wales: Report on Progress - September 2007](#), webpage [on 08 July 2008]

^{xiii} National Assembly for Wales, Business, Record of Proceedings, [Plenary – 15 July 2008](#), webpage [on 08 September 2008]